

# HOUSE BILL REPORT

## HB 1636

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### As Reported By House Committee On:

Natural Resources

**Title:** An act relating to deductions paid into the resource management cost account.

**Brief Description:** Reducing amounts deducted from various public land transactions for trust land management costs.

**Sponsors:** Representatives Elliot, B. Thomas, Cairnes, Thompson, Fuhrman, Pennington, Stevens, Beeksma, Schoesler, Hargrove and McMorris.

### Brief History:

#### Committee Activity:

Natural Resources: 2/21/95 [DP].

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## HOUSE COMMITTEE ON NATURAL RESOURCES

**Majority Report:** Do pass. Signed by 12 members: Representatives Fuhrman, Chairman; Buck, Vice Chairman; Pennington, Vice Chairman; Basich, Ranking Minority Member; Beeksma; Cairnes; Elliot; G. Fisher; Sheldon; Stevens; B. Thomas and Thompson.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Regala, Assistant Ranking Minority Member; Jacobsen and Romero.

**Staff:** Rick Anderson (786-7114).

**Background:** The Department of Natural Resources manages approximately 2.1 million acres of lands known as enabling act trustlands. The department is required by both state constitution and statute to manage these lands for designated public beneficiaries.

Revenue from these lands is generated from timber sales, leases, sale of materials, and interest income is redirected back to the specific trust beneficiary through the capital budget. Beneficiaries of these trustlands include the common schools, the University of Washington, Washington State University, the regional universities, the capitol buildings and grounds, and charitable, educational, penal and reform institutions.

The Department of Natural Resources receives a portion of trust revenues to pay for the costs of managing the trust. State law allows up to 25 percent of the revenues from these lands to be deposited into the Resource Management Cost Account (RMCA). The RMCA supports all management activities related to the enabling act trust lands. The department's actual expenditure from the RMCA is determined by the legislature in the capital and operating budgets.

**Summary of Bill:** The Department of Natural Resources may not deduct more than 20 percent of the enabling act trustland revenues into the resource management cost account.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** None.

**Testimony Against:** The Department of Natural Resources has averaged a 20 percent deduction over the past 31 years but the department needs flexibility to exceed that amount in any given year. The bill is unnecessary because the Legislature determines how much the department can spend on these trustlands through the appropriation process.

**Testified:** Stan Biles, Department of Natural Resources (oppose).